

SSB 6143 - S AMD 330

By Senators Brandland, Swecker and Fraser

NOT ADOPTED 3/06/2010

1 On page 87, beginning on line 28, strike everything through
2 page, 88, line 4 and insert the following:

3
4 **"Sec. 1601.** RCW 82.08.811 and 1997 c 368 s 4 are each amended to
5 read as follows:

6 (1) For the purposes of this section:

7 (a) "Air pollution control facilities" means any treatment
8 works, control devices and disposal systems, machinery, equipment,
9 structure, property, property improvements, and accessories, that
10 are installed or acquired for the primary purpose of reducing,
11 controlling, or disposing of industrial waste that, if released to
12 the outdoor atmosphere, could cause air pollution, or that are
13 required to meet regulatory requirements applicable to their
14 construction, installation, or operation; and

15 (b) "Generation facility" means a coal-fired thermal electric
16 generation facility placed in operation after December 3, 1969, and
17 before July 1, 1975.

18 (2) Beginning January 1, 1999, the tax levied by RCW 82.08.020
19 does not apply to sales of coal used to generate electric power at a
20 generation facility operated by a business if the following
21 conditions are met:

22 (a) The owners must make an application to the department of
23 revenue for a tax exemption;

24 (b) The owners must make a demonstration to the department of
25 ecology that the owners have made reasonable initial progress to
26 install air pollution control facilities to meet applicable
27

1 regulatory requirements established under state or federal law,
2 including the Washington clean air act, chapter 70.94 RCW;

3 (c) Continued progress must be made on the development of air
4 pollution control facilities to meet the requirements of the permit;
5 and

6 (d) The generation facility must emit no more than ten thousand
7 tons of sulfur dioxide during a previous consecutive twelve-month
8 period.

9 (e) Beginning July 1, 2010, the owners must make an annual
10 demonstration to the department of ecology that the owners are
11 acting in good faith to make reasonable progress to decrease the use
12 of coal or replace coal as a fuel for generating electricity in
13 accordance with Section 1(d) of Executive Order 09-05.

14 (f) By July 1, 2012, the owners must have installed and operate
15 controls specifically designed to reduce mercury emissions. The
16 owners must report mercury emissions data to the department of
17 ecology and the appropriate air pollution control authority on at
18 least a quarterly basis. The mercury emissions data must be
19 accessible to the public upon request.

20 (3) During a consecutive twelve-month period, if the generation
21 facility is found to be in violation of excessive sulfur dioxide
22 emissions from a regional air pollution control authority or the
23 department of ecology, the department of ecology shall notify the
24 department of revenue and the owners of the generation facility
25 shall lose their tax exemption under this section. The owners of a
26 generation facility may reapply for the tax exemption when they have
27 once again met the conditions of subsection (2)(d) of this section.

28 (4) RCW 82.32.393 applies to this section.

29 (5) This section expires on January 1, 2025.

30 **Sec. 2302.** RCW 82.12.811 and 1997 c 368 s 6 are each amended to
31 read as follows:

32 (1) For the purposes of this section:

33 (a) "Air pollution control facilities" means any treatment
34 works, control devices and disposal systems, machinery, equipment,

1 structure, property, property improvements, and accessories, that
2 are installed or acquired for the primary purpose of reducing,
3 controlling, or disposing of industrial waste that, if released to
4 the outdoor atmosphere, could cause air pollution, or that are
5 required to meet regulatory requirements applicable to their
6 construction, installation, or operation; and

7 (b) "Generation facility" means a coal-fired thermal electric
8 generation facility placed in operation after December 3, 1969, and
9 before July 1, 1975.

10 (2) Beginning January 1, 1999, the provisions of this chapter do
11 not apply in respect to the use of coal to generate electric power
12 at a generation facility operated by a business if the following
13 conditions are met:

14 (a) The owners must make an application to the department of
15 revenue for a tax exemption;

16 (b) The owners must make a demonstration to the department of
17 ecology that the owners have made reasonable initial progress to
18 install air pollution control facilities to meet applicable
19 regulatory requirements established under state or federal law,
20 including the Washington clean air act, chapter 70.94 RCW;

21 (c) Continued progress must be made on the development of air
22 pollution control facilities to meet the requirements of the permit;
23 and

24 (d) The generation facility must emit no more than ten thousand
25 tons of sulfur dioxide during a previous consecutive twelve-month
26 period.

27 (e) Beginning July 1, 2010, the owners must make an annual
28 demonstration to the department of ecology that the owners are
29 acting in good faith to make reasonable progress to decrease the use
30 of coal or replace coal as a fuel for generating electricity in
31 accordance with Section 1(d) of Executive Order 09-05.

32 (f) By July 1, 2012, the owners must have installed and operate
33 controls specifically designed to reduce mercury emissions. The
34 owners must report mercury emissions data to the department of

1 ecology and the appropriate air pollution control authority on at
2 least a quarterly basis. The mercury emissions data must be
3 accessible to the public upon request.

4 (3) During a consecutive twelve-month period, if the generation
5 facility is found to be in violation of excessive sulfur dioxide
6 emissions from a regional air pollution control authority or the
7 department of ecology, the department of ecology shall notify the
8 department of revenue and the owners of the generation facility
9 shall lose their tax exemption under this section. The owners of a
10 generation facility may reapply for the tax exemption when they have
11 once again met the conditions of subsection (2)(d) of this section.

12 (4) This section expires on January 1, 2025."

13 NOT ADOPTED 3/06/2010

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15
16 Renumber the sections consecutively and correct any internal
17 references accordingly.

18
19 **SSB 6143** - S AMD 330
20 By Senator
21
22 On page 1, line 13 of the title, after "67.28.181", insert
23 "82.08.811, 82.12.811"
24

EFFECT: The sales tax exemption for coal is not eliminated.
Businesses taking the sales tax exemption must annually show the
department of ecology that they are making reasonable progress to
decrease the use of coal or replace coal as fuel for generating
electricity. By July 2012, the owners must have installed
controls to reduce mercury emissions. The owners must report
mercury emission data to Ecology on a quarterly basis. The
exemption expires in 2025

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